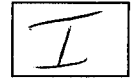


**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

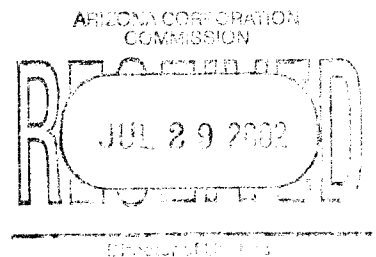


W-02031A  
INDIADA WATER COMPANY, INC.  
301 NORTH GARDEN AVENUE  
SIERRA VISTA AZ 85635-

**ANNUAL REPORT**

**FOR YEAR ENDING**

<b>12</b>	<b>31</b>	<b>2001</b>
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FOR COMMISSION USE

<b>ANN04</b>	<b>01</b>
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Processed by:

7-29-02

SCANNED

## COMPANY INFORMATION

**Company Name (Business Name)** INDIADA WATER Company, INC

**Mailing Address** 301 N GARDEN AVE  
(Street)

SIERRA VISTA AZ 85635  
(City) (State) (Zip)

520-458-3209 520-439-9717 520-940-0097  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** nwatkins@theriver.com

**Local Office Mailing Address** SAME  
(Street)

(City) (State) (Zip)

Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

## MANAGEMENT INFORMATION

**Management Contact:** NATHAN WATKINS PRESIDENT / Manager  
(Name) (Title)

301 N GARDEN AVE SIERRA VISTA AZ 85635  
(Street) (City) (State) (Zip)

520-458-3209 520-439-9717 520-940-0097  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** nwatkins@theriver.com

**On Site Manager:** SAME  
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

<b>Statutory Agent:</b> <u>BOB WATKINS</u>			
(Name)			
<u>301 N GARDEN</u>	<u>SIERRA VISTA</u>	<u>AZ</u>	<u>85635</u>
(Street)	(City)	(State)	(Zip)
<u>520-458-4333</u>	<u>520-459-7603</u>	<u>N/A</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
<b>Attorney:</b> <u>N/A</u>			
(Name)			
(Street) (City) (State) (Zip)			
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)			

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |   |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S)    | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input checked="" type="checkbox"/> Subchapter S Corporation (Z)          |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co op (A)                            |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                        |
| <input type="checkbox"/> Other (Describe) _____ |   |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |   |                                   |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE     | <input checked="" type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM             | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA           | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA               | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI            | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE  |   |                                   |

COMPANY NAME

INDIADA WATER CO., INC.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	750		750
304	Structures and Improvements			
307	Wells and Springs	14684	14291	393
311	Pumping Equipment	9437	4767	4670
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	17641	9808	7833
333	Services			
334	Meters and Meter Installations	3068	2987	81
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	5899	2264	3635
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>51479</b>	<b>34117</b>	<b>17362</b>

This amount goes on the Balance Sheet Acct. No. 108

**COMPANY NAME** INDIADA WATER CO., INC.

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	750		
304	Structures and Improvements			
307	Wells and Springs	14684		41
311	Pumping Equipment	9437		889
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	17641		1190
333	Services			
334	Meters and Meter Installations	3068		31
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	5899		869
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>51479</b>		<b>3020</b>

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

**COMPANY NAME** INDIANA WATER CO., INC.

**BALANCE SHEET**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 1393	\$ 3354
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets	3800	3800
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 5193	\$ 7154
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 55391	\$ 51479
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	35717	34117
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 17674	\$ 17362
	<b>TOTAL ASSETS</b>	\$ 22867	\$ 24516

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME INDIADA WATER CO., INC.

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITES</b>		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	650	610
236	Accrued Taxes	654	810
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 1304	\$ 1420
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 10674	\$ 8242
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$	\$
	<b>TOTAL LIABILITIES</b>	\$ 11978	\$ 9662
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 41300	\$ 41300
211	Paid in Capital in Excess of Par Value	<22643>	<22643>
215	Retained Earnings	3532	7497
218	TREASURY Stock	<11300>	<11300>
	<b>TOTAL CAPITAL</b>	\$ 10889	\$ 14854
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 22867	\$ 24516

**COMPANY NAME** INDIADA WATER CO., INC.

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

<b>Acct. No.</b>	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>
461	Metered Water Revenue	\$ 26855	\$ 26576
460	Unmetered Water Revenue		
474	Other Water Revenues	805	80
	<b>TOTAL REVENUES</b>	\$ 27660	\$ 26656
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$ 9133	\$ 9160
610	Purchased Water		
615	Purchased Power	1138	1020
618	Chemicals		
620	Repairs and Maintenance	1883	1849
621	Office Supplies and Expense	657	824
630	Outside Services	785	830
635	Water Testing	808	1620
641	Rents	300	1600
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	967	396
403	Depreciation Expense	1942	3020
408	Taxes Other Than Income	1018	1117
408.11	Property Taxes	1426	2337
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	\$ 20057	\$ 23773
	<b>OTHER INCOME/EXPENSE</b>		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		2250
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense	1106	1168
	<b>TOTAL OTHER INCOME/EXP</b>	\$ 1106	\$ 1082
	<b>NET INCOME/(LOSS)</b>	\$ 6497	\$ 3965



COMPANY NAME INDIADA WATER CO., INC.

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan	STOCK HOLDER			
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ 8242	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	9%			
Current Year Interest	\$ 1168	\$	\$	\$
Current Year Principle	\$ 2432	\$	\$	\$

Meter Deposit Balance at Test Year End	\$ 610.00
--	-----------

Meter Deposits Refunded During the Test Year	\$ 140.00
--	-----------

COMPANY NAME INDIANA WATER CO., INC.

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
55-805790	1	12	8	N/A
55-805791	2	20	8	N/A
55-825792	1.5	20	8	2"

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = unknown

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
2	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
12,000	1	1,000	2
		85	2

## STATISTICAL INFORMATION

Total number of customers	<u>48</u>	
Total number of gallons sold	<u>5,557,980</u>	gallons

COMPANY NAME INDIANA WATER CO, INC YEAR ENDING 12/31/2001

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported 3028  
Estimated or Actual Federal Tax Liability \_\_\_\_\_

State Taxable Income Reported 3028  
Estimated or Actual State Tax Liability \_\_\_\_\_

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances \_\_\_\_\_  
Amount of Gross-Up Tax Collected \_\_\_\_\_  
Total Grossed-Up Contributions/Advances \_\_\_\_\_

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Nathan Watkins  
SIGNATURE

4/15/02  
DATE

NATHAN WATKINS  
PRINTED NAME

PRESIDENT  
TITLE

COMPANY NAME INDIANA WATER Co, Inc YEAR ENDING 12/31/2001

**WATER AND SEWER  
UTILITIES ONLY**

**PROPERTY TAXES**

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 2357

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

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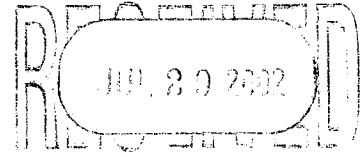
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**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

ARIZONA CORPORATION  
COMMISSION



**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Cochise</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Nathan Watkins, President</u>
COMPANY NAME <u>Indiada Water Company, Inc.</u>

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
<u>12</u>	<u>31</u>	<u>2001</u>

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 28 256

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 1600  
IN SALES TAXES BILLED, OR COLLECTED

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Nathan Watkins  
SIGNATURE OF OWNER OR OFFICIAL  
520-458-3209  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15th DAY OF

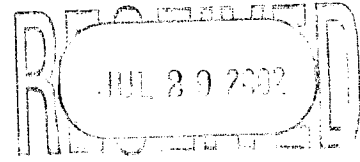
(SEAL)

MY COMMISSION EXPIRES 4/22/03

COUNTY NAME <u>Cochise</u>
MONTH <u>April</u> YEAR <u>2002</u>
<u>Virginia Ward</u> SIGNATURE OF NOTARY PUBLIC

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION  
COMMISSION



**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

(COUNTY NAME) Cochise	
NAME (OWNER OR OFFICIAL) Nathan Watkins	TITLE President
COMPANY NAME Indiada Water Company, Inc.	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2001

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES
\$ 28256

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 1600  
IN SALES TAXES BILLED, OR COLLECTED

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

X Nathan Watkins  
SIGNATURE OF OWNER OR OFFICIAL

**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS**

15th

**DAY OF**

(SEAL)

**MY COMMISSION EXPIRES**

4/22/03

NOTARY PUBLIC NAME Virginia Ward	
COUNTY NAME Cochise	
MONTH April	20 02

X Virginia Ward  
SIGNATURE OF NOTARY PUBLIC

01-937-26-870-7

1841

**INDIADA WATER COMPANY, INC.**

301 N. GARDEN AVE.  
SIERRA VISTA, ARIZONA 85635  
(520) 458-3209

**WELLS FARGO BANK**  
SIERRA VISTA, AZ 85635  
91-552-1221

10/22/2001

\*\*1,524.42

PAY TO THE ORDER OF MARSHA BONHAM COCHISE COUNTY TREAS

One Thousand Five Hundred Twenty-Four and 42/100 \*\*\*\*\* DOLLARS

MARSHA BONHAM COCHISE COUNTY TREAS  
PO BOX 1778  
BISBEE AZ 85603

PAR # 937-26-370-7 2001 Total Taxes

*North Webb*

MEMO

⑈001841⑈ ⑆122105524⑆0818297673⑈

⑈0000152442⑈

TEMPE, AZ 10252001  
RACER 3571 801  
1221-0527-8  
635994875

MT 24 01  
122100024  
FAX K...  
ARIZONA, NA  
122100024  
122100024

1651 08389

210733 122100024  
IN THE ORDER OF  
ONE BANK ONE J18

10 24 01

ONE BANK ONE  
MARSHA BONHAM COCHISE COUNTY  
TAXPAYER 1000000000

01 01 24  
122100024

BANK ONE ARIZONA, N.A.  
PHOENIX, ARIZONA

1550 10065



1782

**INDIADA WATER COMPANY, INC.**

301 N. GARDEN AVE.  
SIERRA VISTA, ARIZONA 85635  
(520) 458-3209

**WELLS FARGO BANK**  
SIERRA VISTA, AZ 85635  
91-552-1221

4/17/01

\*\*812.74

\$

DOLLARS

PAY TO THE MARSHA BONHAM COCHISE COUNTY TREAS  
ORDER OF

Eight Hundred Twelve and 74/100\*\*\*\*\*

MARSHA BONHAM COCHISE COUNTY TREAS  
PO BOX 1778  
BISBEE AZ 85603

MEMO *00* FAR # 937-26-870-7 2000 Second Half

*North White*

'00000081274'

⑈001782⑈ ⑆122105524⑆0818297673⑈

TEMPE, AZ 0420001  
CER# 3759 001  
1221-0527-B

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of the following listed below is a copy of the original document. If the original document is not available, please contact the issuing authority.

19  
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SIERRA VISTA, ARIZONA, N.A.  
SIERRA VISTA, ARIZONA

171972

41021000148  
EXA 1000000  
APR 17 2001  
1221000024  
1221000024

4111 72337

122100024  
PAY TO THE ORDER OF  
019 BANK ONE 019

-4 19 01

FOR DEPOSIT ONLY  
BANK ONE  
CASH ONLY

1221000024